

India to step up oil sector reforms to fuel growth

NEW DELHI, Jan 10: Indian Prime Minister Atal Behari Vajpayee Sunday said New Delhi would step up reforms in the oil sector as it held the key to fuel economic growth to seven per cent, says AFP.

The government will set up a special group of ministers to prepare a blueprint to accelerate reforms and is planning to dismantle barriers on oil imports, Vajpayee told a conference here.

"The group will work out a specific framework for creating an India hydrocarbon vision 2020 and submit a report within six weeks," he said, adding "the government is considering to offer more fiscal incentives to foreign investors."

India has dismantled government controls in the oil sector by introducing free mar-

ket pricing and partial lifting of subsidies. New Delhi says the sector will be completely deregulated by 2002.

"We want our country to become a major hydrocarbon power of the world in the near future," Vajpayee said.

The Prime Minister asks foreign investors to make "India their priority destination" as it offered "better prospects of major discoveries in deep waters."

"India offers excellent opportunities for investment in exploration and production in the present scenario," he said.

Vajpayee said the government was also taking "effective steps through diplomatic and commercial channels to develop hydrocarbon cooperation in India's economic neighbourhood for mutual benefit."

"Some countries in the region are rich in oil and gas reserves while others, including India, had a high demand for the products."

India's oil production is currently stuck at around 35 million tonnes a year whereas demand is 77 million tonnes and growing at seven per cent a year. In a bid to boost production, the government decided to open the petroleum sector two years ago to private sector investment in the areas of exploration, production, refining and marketing.

India would need to import about 30 million tonnes of crude oil and 18-22 million tonnes of oil products in the current financial year to meet domestic requirements, Vajpayee said India was tar-

geting an economic growth of seven per cent to be fuelled by the "demand in hydrocarbon sector." India's economic growth was 5.1 per cent in the year to March 1998.

"We are looking at oil and gas demand increasing at sustained rate of about eight per cent a year compared to the world average growth in petroleum demand at 1.5 per cent," he said.

The prime minister admitted that meeting this demand would pose a "great challenge" to the government.

"In the 50 years since independence less than half the sedimentary basins have been properly explored. Our self-sufficiency is also falling. It was 70 per cent in the mid-1980s, it is below 40 per cent now."



Ahmed Akbar Sobhan, Chairman of Bashundhara Group, exchanges the papers after signing an agreement with the largest consulting firm of Thailand - ACS Consulting Engineers Co Ltd in Bangkok for engineering consultancy services for "Bashundhara City Project". On the same occasion, another deal was signed with Delvistaa-Conglomerate member Vistaara Architects (Pvt) Ltd for architectural consultancy services.

Japan's Cosmo Oil to cut huge work force

TOKYO, Jan 10: Cosmo Oil Co., a major Japanese refiner and distributor, said Friday it will cut 40 per cent of its work force and reduce about 20 per cent of its assets under a four-year restructuring programme, says AP.

The drastic steps will be taken to beef up cost-performance and remain competitive," said Cosmo Oil spokesman Hozumi Tokita.

Prices of gasoline and other oil products in Japan have fallen sharply in recent years, especially since the liberalisation of gasoline imports in April, 1996.

The average retail price of gasoline dropped by 15 per cent at the end of last year from early 1996 levels in Japan. Competition has intensified.

Under the restructuring plan, Cosmo's payroll will be gradually reduced to 1,500 from the current total of 2,700 by March 2003. Its assets will be trimmed by 200 billion yen (1.82 billion) by the same date.

'IMF-type Asian fund needed to avoid future crises'

By Lalit K Jha

JAIPUR, Jan 10: Thailand's Deputy Prime Minister Supachai Panitchapki has called for the creation of an Asian parallel of the International Monetary Fund (IMF) in the new millennium to avoid crises like the one faced by the tiger economies.

Addressing the plenary session of the Partnership Summit organised by the Confederation of Indian Industry (CII) here, Panitchapki said there was a need for the "creation of an Asian fund similar to that of IMF" so that "economic crises like that of Southeast Asian nations could be avoided." He said with the presence of such a fund "at least the liquidity crisis could be avoided."

Presenting his ten-point observations and recommendations for Asian countries for the 21st century, Panitchapki,

who also holds the Commerce portfolio, said in the past too there had been a demand for such a fund but it did not materialise for a host of reasons.

The Thai leader, who has attended four of the five CII Partnership Summits till date, felt the need to expand global bodies like the G-8 or Group of Eight industrialised nations to include countries like India, Brazil and Thailand.

"The next century is the century of Asia-Pacific countries" as the region would determine the new economic order, he said.

Panitchapki also stressed the need for more cooperation between member countries of the Association of South-East Asian Nations (ASEAN) and the South Asian Association for Regional Cooperation (SAARC), particularly India and Thai-

land.

Joint effort by various groupings in Asia was the need of the hour, he said. "Joint projects in the infrastructure sector are also required," he added.

The Thai leader also mentioned Asia's growing concern over the environment. The next century, he said, would require a large number of legal reforms in Asian countries, adding there was the possibility of a confrontation in the continent due to a large-scale problem of food supply.

Former Indian Finance Minister Palaniappan Chidambaram observed that the next century would be about quality governance. "Accountability has been the casualty in the 20th century, but it would not be so in the next century," he said.

— India Abroad News Service

UK rebate from EU too high: Santer

BONN, Jan 10: European Commission President Jacques Santer says Britain's rebate from the European Union is too high and should be put "on the table" as part of the effort to reform the EU's finances, a press report says, reports AFP.

In an interview scheduled to appear in today's edition of the Berlin daily Tagesspiegel, Santer said that in discussions on the European Union (EU) budget "all the cards should be on the table, including the British rebate", which "at this level, is no longer appropriate."

The rebate stems from a tough line adopted in the early 1980s by the then British Prime Minister, Margaret Thatcher, who maintained Britain paid out too much to the EU and received relatively little in return.

She secured a deal that brought the country considerable savings, amounting to several billion dollars a year.

"Since the introduction of the British rebate in 1984, there have been major changes, that's why we think this level is no longer appropriate", Santer said.

Asked about Germany's attempts to have its own contribution to the EU reduced, Santer said: "naturally, the German net contribution should be structured in a manner which the German citizen considers just."

"But that requires the agreement of all member countries."

Germany last weekend marked the start of its six-month term at the EU helm with a blunt warning that it intended to reform the organisation's finances.

The biggest net contributor to the EU, Germany annually pits roughly 11 billion euros (13 billion dollars) more into the kitty than it gets back.

Exchange Rates

Following are the Standard Chartered Bank's rates of major currencies against dollar.

Effective on Sunday, January 10, 1999

Central Bank USD/BDT Rate: Buying-BDT 48.35/Selling-BDT 48.65

Selling	Buying	Currency	TT Clean	OD Sight	OD Transfer
48.7100	48.7500	USD	48.3150	48.1549	48.0708
0.4436	0.4439	JPY	0.4320	0.4306	0.4298
35.1443	35.1732	CHF	34.4615	34.3473	34.2141
28.2586	28.2828	SGD	28.7452	28.6500	28.6999
32.4517	32.4783	CAD	31.7444	31.6392	31.5218
6.1829	6.1880	SEK	6.0787	6.0586	6.0457
31.3644	31.3901	AUD	30.1196	30.0198	29.8231
12.8529	12.8635	MYR	12.6804	12.6394	12.6064
6.2949	6.3001	HKD	6.2270	6.2063	6.1931
13.0241	13.0348	SAR	12.8480	12.8054	12.7729
13.2989	13.3099	AED	13.1180	13.0746	13.0411
0.0416	0.0416	KRW	0.0412	0.0410	0.0409
80.4348	80.5009	GBP	78.7679	78.5089	78.2256
56.9420	56.9988	EUR	55.4698	55.3059	55.2093

USANCE EXPORT BILLS

TT	DOC	30 Days	60 Days	90 Days	120 Days	180 Days
48.2154	47.9173	47.5208	47.0641	46.5677	46.0558	45.4558

Exchange rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Thai Baht	Mal. Ringgit	Indo. Rupiah	Sing. Dollar
42.420/42.520	51.45/51.55	6.560/36.61	3.79/3.8002	7860/7960	1.6745/1.6755

US DOLLAR LIBOR

Buying	Selling	1 Month	3 Months	6 Months	2 Months
48.15	48.75	USD 5.62875	5.28083	5.15813	5.15809
48.1	48.7	GBP 65	6.34813	6	5.67531

Market Commentary

In the local forex market, there was high demand for dollar as its supply was scarce due to reduced inward remittances. Dollar traded in a range of BDT 48.65 to BDT 48.6525 in the interbank market. Bangladesh Bank accepted treasury bills worth of BDT 5720 million for 28 days at an average rate of 7.64 per cent, BDT 140 million for 91 days at a rate of 8.85 per cent, BDT 50 million for 182 days at an average rate of 9.55 per cent and BDT 50 million for 364 days at 9.89 per cent. The money market remained and the call rate ranged between 6 and 6.5 per cent. In the kerb market, cash US dollar traded between BDT 48.80 and BDT 48.95.

The international markets are closed for the weekend.

At New York closing on Friday, USD traded at 110.65/74 JPY, GBP at 1.6504/09 USD and Euro at 1.1665/70 USD.

— Stanchar Bank

Government of the People's Republic of Bangladesh Ministry of Health and Family Welfare Administration-2 Section

No Admn-2/FW/MNI-40/95/892 Dated: 31-12-98

Tender Notice for yearly contract for repair/servicing of 100 (one hundred) intercom set

Sealed tenders under the following terms and conditions from the local importers/bonafide supplier firm for repair/servicing of 100 (one hundred) sets out of 2464 for yearly contract of Kanda brand of 100 line intercom system installed in the Health and Family Welfare Ministry:

a) Intending tenderers will have to drop their tenders into the tender box kept at the (Room No 220, Bhaban-No-3, Bangladesh Secretariate) of the Ministry of Health and Family Welfare, Dhaka by 12.00 Noon on 31/01/99. Tender boxes will be opened on the same day at 12.30 PM in presence of the tenderers (if anyone remains present).

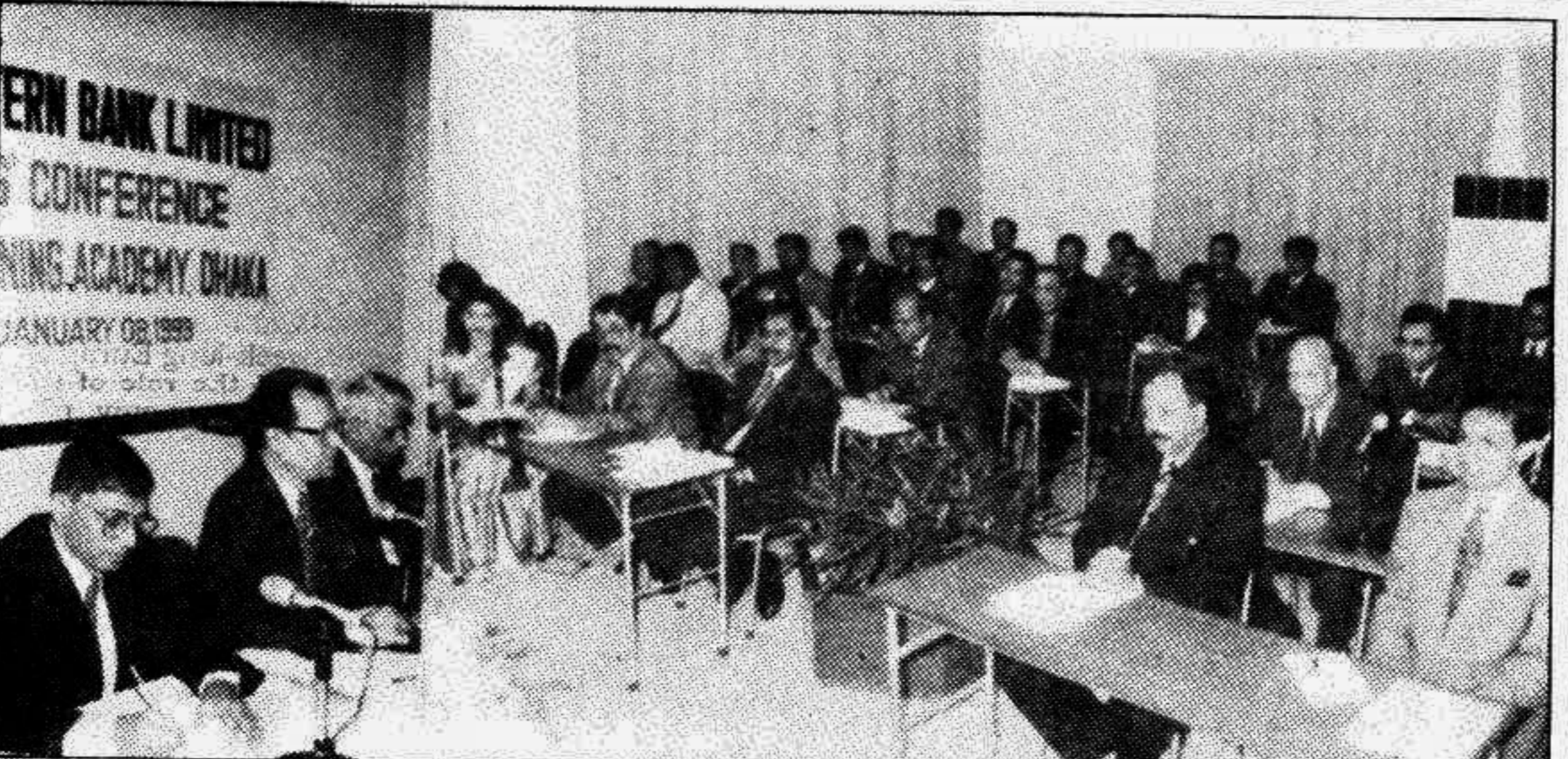
b) Each copy of tender schedule can be procured from 24-01-99 to 28-01-99 on payment of Taka 100/- (one hundred) in cash (non-refundable) from Senior Assistant Secretary (Administration-2), Health and Family Welfare Ministry, Bangladesh Secretariate (Room No-220, Bhaban-3), Dhaka during office hours.

c) Attested copies of up-to-date trade licence, certificate of income tax and papers related to payment of VAT must be attached with the tender.

d) Earnest money at the rate of 2% of the total cost in the form of Bank Draft from any scheduled bank will have to be attached with the tender by the each tenderer (refundable).

e) The authority reserves the right to accept or reject any tender.

Abdul Hannan Khan
Senior Assistant Secretary
Phone: 864721



Nurul Husain Khan (middle), Chairman of Eastern Bank Limited (EBL), inaugurates the managers' conference of the bank at the EBL Training Academy Saturday. M Khairul Alam (left), Managing Director, M Hedayatul Islam (right), Executive Vice President, were present on the occasion.

EBL earns Tk 40 crore in '98

Star Business Report

Eastern Bank Limited (EBL) has earned Tk 40 crore as profit in the year 1998.

This was disclosed at the general managers' conference of the bank in the city on Saturday, says a press release.

The Chairman of the bank Nurul Husain Khan, opened the conference as chief guest.

Speaking on the occasion, the Chairman said this year few more new banks are going to start their operations in the country. It is therefore natural that the bank will face a rigorous competition.

Among others, M Khairul Alam, Managing Director of EBL and M Hedayatul Islam, Executive Vice President also spoke on the occasion.

Asian stocks set to gain this week

HONG KONG, Jan. 10: Hong Kong's stock market is set to consolidate after rising 6.7 per cent in a series of gains during the year's first trading week to Friday, dealers said, reports AFP.

The key Hang Seng index gained 674.12 points to close the week's trading at 10,722.70 on Friday, on average daily turnover of 6.91 billion Hong Kong dollars (892 million US).

Bombay: Indian shares will continue to rise sharply in the coming week, brokers said yesterday.

The 30-shares Bombay Stock Exchange sensitive index was up 337.50 points, or 11 per cent, to 3,397.84 points at close of trade on Friday after the previous week's close.

Singapore: Singapore stocks are expected to remain strong in the coming week, dealers said.

The stock exchange of Singapore's benchmark Straits Times index soared 152.45 points higher over the week to end at 1,545.18 while the broader All-Singapore index climbed 29.18 points to 41,169.

Average daily turnover rose to 413.98 million shares worth 655.40 million Singapore dollar (392.45 million US) from 114.24 million shares worth 128.21 million dollars the previous holiday-shortened week.

Bangkok: Thai stocks soared 12.3 per cent for the week to Friday, but were likely to correct next week ahead of a looming deadline for banks to submit recapitalisation plans or face intervention.

The Stock Exchange of Thailand composite index leaped 43.62 points to close on Friday at 1399.43. Daily average trading values also surged to 7.5 billion baht (205.9 million dollars) from 2.9 billion baht.

Jakarta: Indonesian shares were expected to continue their rise in the coming week with renewed buying following the past days positive performance with a possible boost from European investors, dealers said.

Reuters Business Briefs

Asia questions US dollar policy

HONG KONG: The world's most important central banker arrives in Hong Kong Sunday with Asian stock markets sizzling, but Alan Greenspan's visit comes as unease grows about a key driver of the rally—a soft U.S. dollar. "Ultimately, I believe the weak U.S. dollar policy tied to easier monetary policy is not sustainable, both from a Japanese and a U.S. point of view," said Geoffrey Barker, chief economist at Dresdner Kleinwort Benson Asia.

Iran asks Caspian pipeline consortium for new bid

DUBAI: Iran has asked a consortium of Chinese companies and a local firm that was tipped to win a \$400 million deal to build a Caspian Sea oil pipeline to present a new bid, an Iranian oil official said Sunday. The official said the state-owned China National Petroleum Corporation and the China Petrochemical Corporation (Sinopec) and the Iranian firm MAPNA were given a deadline which closes at the end of next week to submit the bid on the pipeline to Iran's northern refineries.

Ford to spend \$173 million

DETROIT: Ford Motor Co. will spend \$173.6 million to retool its pickup truck plant in Louisville, Ky., to make the automotive industry's largest sport utility vehicle (SUV), the Detroit Free Press said Saturday. The No. 2 U.S. automaker also will hire 1,100 people to work at the F-Series Super Duty truck plant, which employs 5,100, the paper said. They will build the Excursion, which will be introduced later this year as a 2000 model.

BMW to invest in two new Rover models

MUNICH: Germany's BMW said Saturday it was always investing in new models but would not comment further on a magazine report that 3.8 billion marks (\$2.25 billion) would be invested at its British Rover unit to produce two new small-car models. "We're always investing in new models," a BMW spokesman told Reuters in response to an article in the news magazine Der Spiegel saying the new models would be about the size of Volkswagen's Polo and Golf models and some 500,000 would be produced annually.

AT&T plans buyback

NEW YORK: AT&T Corp. Friday altered the planned structure of its \$48 billion purchase of Tele-Communications Inc., predicted better-than-expected 1999 profits and announced \$4 billion in share repurchases and a stock split. The announcements sent shares of AT&T, the No. 1 U.S. long-distance company, higher. The stock gained \$2.81 to close at \$85.06 on the New York Stock Exchange, where it was the most actively traded issue.

MCI Worldcom not in Airtouch bid

NEW YORK: MCI WorldCom Inc. Friday backed away from making a bid for Airtouch Communications Inc., the world's largest wireless communications company. "After reviewing the possibility of a combination with Airtouch... MCI WorldCom has determined not to pursue a bid for the company at this time," MCI WorldCom said in a brief statement.

Texaco sees earnings shortfall

NEW YORK: Texaco Inc. Friday joined a growing list of oil companies by warning that its fourth-quarter earnings would fall short of expectations amid the weakest oil prices in 12 years, poor refining margins and Asian currency losses.

Weekly Arab stocks Most bourses gain

RIYADH, Jan 10: Arab bourses mostly rose last week as oil prices firmed following a build-up in demand, Bakheet Financial Advisers (BFA) said today, reports AFP.

The best performing market was the NBAD index in the United Arab Emirates which gained 6.2 per cent, finishing the week at 3,814.09, the Riyadh-based specialist institution said.

Lebanon's Blom index was the biggest loser, with a 2.1 per cent drop to 892.58 points, while Oman's MSM index was the second biggest winner with a 4.5 per cent gain to 238.65 points.

Saudi Arabia's NCFEI all-share index climbed 2.7 per cent on the week to 45.13 points amid expectations of improved profits in the banking sector.

Egypt's Prime General Index also showed gains, with a 4.1 per cent rise to 448.62 points, Jordan's AFM index rose 2.9 per cent to 174.74 points.

Bahrain's BSE index gained 1.9 per cent to close at 2,230.54 points, while Morocco's CSE index rose one per cent to close at 807.62 points.

Kuwait's KSE index rose 0.9 per cent to 1,596.40 points, the bourse's newly-appointed director, Abdullah Al-Sudairawi, said that "the market's performance in the current month gave cause for optimism and confidence."

The KSE has a market capitalisation of some 20 billion dollars and is the second largest in the Arab world after the Saudi stock market.

Tunisia's BVX index was up 0.9 per cent at 468.51 points, while Qatar's DSM index rose by 0.3 per cent to 135.49 points.

The Palestinian bourse's Jerusalem index remained unchanged at 154.96 points.

Crude oil prices rose sharply this week after a fall in US reserves,

Bangladesh Atomic Energy Commission

4, Kazi Nazrul Islam Avenue, P. O. Box No. 158 Ramna, Dhaka-1000, Bangladesh

Ref No. P&S-20(30)/95 Dated: 30/12/1998

Subject: Tender Notice for Appointment of Clearing and Forwarding Agent at Chittagong Port

Sealed tenders are hereby invited for appointment of clearing and forwarding (C&F) agent from the bonafide and reputed clearing and forwarding agents who have minimum 10 (ten) years experience and have the capability of handling sophisticated Scientific Equipment, Glasswares, Chemicals, Radioactive materials and other stores from Sea Customs at Chittagong.

Tender documents at a cost of Tk. 750.00 (seven hundred fifty) only (non-refundable) will be available during office hours up to 01.02.1999 from the Accounts Officer (Cash), Bangladesh Atomic Energy Commission, 4, Kazi Nazrul Islam Avenue, Ramna, Dhaka on a written request. Tenders with earnest money amounting to Tk. 20,000.00 (Tk. twenty thousand) only (refundable in the case of unsuccessful bidders) in the form of Crossed Bank Draft/Pay Order from any scheduled bank of Bangladesh in favour of "Bangladesh Atomic Energy Commission, Dhaka" will be dropped in the tender box kept in the Procurement Section up to 11-00 hours of 02.02.1999 and will be opened at 11-15 hours on the same day in presence of those bidders who may wish to be present. Tenders without earnest money will not be entertained.

The Bangladesh Atomic Energy Commission reserves the right to accept or reject any or all tenders without assigning any reason whatsoever.

BAECS/D. 1(2)/94-378 Head
DFF-156-5/1 Administration and Establishment
G-57 Division.

Shipping Intelligence

Chittagong port

Berth position and performance of vessels as on 7.01.99.

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Date of arrival	Leaving
J/1	Golden D	Wheat (G)	K. DIA	Lams	R/A	13/1
J/2	Coral Trader	GI	-	AASS	28/12	12/1
J/3	Mira Jiang	GI	Col	Bdship	5/1	14/10
J/4	Shinzan (48)	GI	Col	SSL	7/1	10/1
J/5	Smunda	Rice(P)	Kand	Seacom	1/1	12/1
J/6	Orion Glory	GI	Sing	Prog	23/12	12/1
J/7	Prima Cynthia	GI	Sing	Prog	29/1	13/1
J/8	Banglar Shobia	Wheat(G)	K. DIA	BSC	R/A	14/1
J/9	Xing Ye	Rice(G)	Kand	MHCSL	1/1	12/1
J/10	Adventure	Wheat (p)	Truk	Seagroy	1/12	10/1
J/11	Banglar Mamata	Wheat(G)	K. DIA	BSC	R/A	11/1
J/12	Kota Cahaya	Cont	Sing	PII(BD)	-	-
J/13	Banglar Robi	Cont	Sing	BSC	3/1	11/1
CCT/1	Budi Amana	Cont	Sing	RSL	3/1	13/1
CCT/2	Bunga Mas Enam	Cont	P. Kel	EOSSL	28/12	10/1
CCT/3	Acacia	Cont	Sing	RSL	1/1	12/1
CGJ	Anodad Naree	C. Clink	Indo	Delmure	30/12	20/1
GSJ	Lynx	Wheat(G)	K. DIA	Lams	3/1	12/10
BM/3	Qin Ling	R. Phos	Nanj	Seacom	4/1	14/1
DM/1	Chariot	Cdso	Darb	Rainbow	28/12	10/1
RM/8	Al Muatalla	Repair	Para	PSAL	-	31/1
CUFLI	Al Swamuz	Wheat (G)/Idic	K. DIA	ASL	R/A	12/1
Kafco (U)	Suthahir Naree	Urea	-	Movle	R/A	10/1

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Cargo	Loading port
Meghan (Cont) 31/12	11/1	-	Bdship	Cont	Sing
Diligence Cont (Cont) 31/12	10/1	Sing	QCSL	Cont	Sing
Banga Biro (Cont) 10/12	13/1	Sing	Bdship	Cont	Sing
Kota Beriya (Cont) 3/1	10/1	Sing	PII(BD)	Cont	Sing
Filokittis	10/1	P. Said	Ancient	Wheat(G)	-
Kim Dong	13/1	-	MSSL	Rice	-
Blue Angel	10/1	-	AASS	Wheat(P)	-
Superitas	10/1	Ilyc	Litmond	Mop	-
Elifon	11/1	-	PSAL	Wheat	-
Nazliq	15/4	Mong	MBL	Urea	-
Visliva Mumudid	11/1	P. Said	SMSL	Rice(G)	-
Nadel Horn	11/1	P. Said	Ancient	Wheat(G)	-
Island Princes (48) 6/1	11/1	Cal	CLA	Wheat(P)	-
Banglar Shikha (Cont) 31/12	11/1	Sing	BSC	Cont	-
Sea Gallant (Cont) 5/1	11/1	Sing	PII(BD)	Cont	Sing
Oscar Venture (Roro) 24/9/12	11/1	Sing	BBA	Vehi	-
Esco Argo	12/1	-	Prog	GI	-
Anshun Jiang (48) 3/1	12/1	-	Bdship	GI	-
Meloi	12/1	P. Said	Ancient	Wheat(G)	-
Coral Hero (48) 27/12	15/1	-	Everett	GI	-
Tea Dong Gang	13/1	-	PSAL	Cement	-
Gomain Naree	14/1	-	Prog	GI	-
Ocean-1	14/1	Yang	SMSL	GI(Log)	-
Abuja (Cont) 4/1	13/1	-	Baridhi	Cont	Col
Bunga Maspan (Cont) 6/1	14/1	-	Eosl	Cont	Sing
Asian Century (Roro) 24/12/12	13/12	Cal	CLA	Vehi	-
AA Venture	15/1	-	Clia	Rice(P) GI	-
Kota Naga (Cont) 5/1	15/1	Sing	PII(BD)	Cont	Sing
Qc Pintail	16/1	Sing	QCSL	Cont	Sing
Banglar Groub	16/1	Kara	Bsc	Rice(P)	-
Hexagram	16/1	-	Simmi	Scraping	-
Banglar Urm	17/1	Male	Bsc	GI	-
Xpress Resolve (48) 4/1	20/1	-	Everett	GI	-
Bright Vega (Roro) 24/30/12	21/1	-	BBA	Vehi	-

Tanker due:

Hassbat Qatar	9/1	Jabe	USS	Crude Oil
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